

IN THE UNITED STATES DISTRICT COURT FOR THE
EASTERN DISTRICT OF VIRGINIA
Alexandria Division

RAYMOND RAHBAR, *et al.*,

Plaintiffs,

v.

MICHAEL ROSENGART, *et al.*,

Defendants.

No: 1:23-cv-1327-MSN-IDD

ORDER

This matter comes before the Court on Defendant Michael Rosengart's Motion for Reference to Bankruptcy Court (Dkt. No. 18).

On November 29, 2023, Michael Rosengart moved for entry of an order referring this matter to the U.S. Bankruptcy Court for the Eastern District of Virginia and treating the matter as an adversary proceeding. To date, no party has submitted a response or opposition to Rosengart's motion.

Under 28 U.S.C. § 157(a), a federal district court may refer "all cases under Title 11 and any or all proceedings arising under title 11 or arising in or related to a case under title 11" to the district's bankruptcy court. 28 U.S.C. § 157(a); *see also Stern v. Marshal*, 564 U.S. 462, 473 (2011) ("Congress has divided bankruptcy proceedings into three categories: those that 'arise under title 11'; those that 'arise in a title 11 case' and those that are 'related to a case under title 11.'"); *MDC Innovations, LLC v. Hall*, 726 F. App'x 168, 170 (4th Cir. 2018) ("District courts may refer any or all of such proceedings to the bankruptcy court.").

On August 15, 1984, the Eastern District of Virginia entered a standing order of reference, which provides that all cases "arising under title 11 of the United States Code or arising in or

related to cases under title 11 of the United States Code” are referred to the bankruptcy judges of the District. Order of Reference, E.D. Va. (Aug. 15, 1984). Lastly, under 28 U.S.C. § 1334(e)(1), a “district court in which a case under title 11 is commenced or is pending shall have exclusive jurisdiction – (1) of all the property, wherever located, of the debtor as of the commencement of such case, and of property of the estate.”

Here, the case is a dispute over property of a Chapter 7 Debtor’s estate – BF Management, LLC (“BF Management”). The alleged assets belong to BF Management. Dkt. No. 1 ¶ 49. Raymond Rahbar serves as the debtor’s representative. *In re BF Management LLC*, No. 23-10919-BFK, Dkt. No. 1 at 4 (Bankr. E.D. Va. 2023). BF Management filed a Voluntary Petition for Chapter 11 bankruptcy on June 1, 2023. *Id.* at 1. On September 12, 2023, the bankruptcy court ordered the conversion of BF Management’s Voluntary Petition for Chapter 11 bankruptcy to an involuntary Chapter 7 proceeding. *Id.*, Dkt. No. 47 at 1. Pursuant to 28 U.S.C. § 157(a) and 28 U.S.C. § 1334(e)(1) and this Court’s standing order of reference, it is hereby

ORDERED that the Motion for Reference to Bankruptcy Court (Dkt. No. 18) is **GRANTED**;


ORDERED that this action is **REFERRED** to the United States Bankruptcy Court for the Eastern District of Virginia, Alexandria Division for all further proceedings; it is further

ORDERED that this matter shall be treated as an adversary proceeding pursuant to Federal Rule of Bankruptcy Procedure 7001 with Defendant Rosengart, as the party who removed the case to federal court, to pay the filing fee for the adversary proceeding; and it is further

ORDERED that the hearing set for December 8, 2023, is terminated as this Order disposes of all pending motions.

The Clerk is directed to transfer the contents of the file to the United States Bankruptcy Court for the Eastern District of Virginia, Alexandria Division, terminate all pending motions and deadlines in the District Court, and to close this civil action.

IT IS SO ORDERED.

/s/ 
Michael S. Nachmanoff
United States District Judge

Hon. Michael S. Nachmanoff
United States District Judge

Alexandria, Virginia
December 7, 2023